



Committee: Directly to Council
Committee Review: N/A
Staff: Vivian Yao, Legislative Analyst
Purpose: To introduce agenda item – no vote expected
Keywords: #COVID-19, #food security

AGENDA ITEM #3J
June 16, 2020
Introduction

SUBJECT

Special Appropriation to the County Government's Fiscal Year 2020 Operating Budget, COVID-19 Human Services and Community Assistance Non-Departmental Account (NDA), Support for COVID-19 Response – Montgomery County Food Security Fund \$10,500,000 (Source of Funds: General Fund Reserves) and Amendment to Fiscal Year 2020 Operating Budget Resolution 19-128 Section G, FY20 Designation of Entities for Non-Competitive Contract Award Status: Greater Washington Community Foundation

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction. Public hearing and action are scheduled for June 23, 2020.

DESCRIPTION/ISSUE

The COVID-19 public health crisis has led to significantly reduced income for many county residents, making it difficult for them to afford basic needs like food. The increased number of food insecure residents is evidenced by the growth in unemployment claims and the substantial increase in clients accessing food and meal distribution services.

The Montgomery County Food Security Task Force's COVID-19 Pandemic Food Security Response Strategy identifies strategies to increase the volume of food in the food assistance system, improve the food distribution methods, ensure that residents are aware of available resources, and ultimately foster a permanently resilient and equitable food system in Montgomery County. Funding is needed to execute the food security response strategy.

This appropriation will provide up to \$500,000 to the Greater Washington Community Foundation to initiate and administer the Montgomery County Food Security Fund, which will accept private donations that will support implementation of the food security response strategy. This appropriation also provides \$10 million to implement the strategy with the goal of raising \$5,000,000 in private donations.

SUMMARY OF KEY DISCUSSION POINTS

- The County will enter into a public/private partnership with the Greater Washington Community Foundation to establish the Montgomery County Food Security Fund to support the implementation of the food security response strategy.

- The County will provide seed funding of up to \$500,000 to the Community Foundation to initiate the fund.
- The County will commit \$10,000,000 appropriated through this resolution to implement the COVID-19 Pandemic Food Security Response Strategy with the goal of raising \$5,000,000 in private donations in the Montgomery County Food Security Fund.
- This resolution amends Resolution 19-128, Section G, FY20 Designation of Entities for Non-Competitive Award Status to add a new contract with the Greater Washington Community Foundation to read "Provides for administration of the Montgomery County Food Security Fund" in the amount of up to \$500,000.

This report contains:

Proposed Resolution	© 1-3
Memo from Councilmember Jawando circulated to Councilmembers	© 4-5

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MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

WILL JAWANDO
COUNCILMEMBER
AT-LARGE

A Public-Private Partnership for Food Security

With the global pandemic, the economic downturn that has resulted and the current financial impacts on businesses and individuals, there is a greater need to have a comprehensive plan to manage the increasing food insecurity facing individuals and families in Montgomery County. Recognizing this, the Montgomery County Food Council examined the existing and future needs of residents, as well as the entities that currently provide services to mitigate hunger, in a report provided to the County Council.

One facet I believe needs a more comprehensive approach to meeting the cost of food security in FY21 is the ongoing partnership between the public sector and private sector. The approach will focus on the cost effectiveness and the value of a dollar to promote economic opportunities for individuals and businesses. The Food Council and others have identified a growing gap in the financial resources required to address this crisis -- a gap estimated at \$41 million to cover the next six months. We can and should review and discuss the many ways we use funds to combat hunger, but I believe we should also focus on how we can raise supplementary funds beyond what can be provided through the County budget.

In conversations with partners in the private sector, I have raised the concept of a public fundraising program structured around incentives to draw greater participation from major donors while including smaller individual donors and expanding the base of overall participants. This public-private partnership will address the food security challenges of our residents while simultaneously supporting our local food banks, restaurants and farmers. This concept will not be in competition with the fundraising efforts of our local non-profits; it will simply be another way for funds to be secured that can be used to support their efforts around food security.

To do this would mean setting up a fund via a special appropriation and looking for matching funds through strategic partnerships and targeted fundraising. The initial \$10 million County investment will be matched by a \$5 million private sector investment, coordinated by The

A PUBLIC-PRIVATE PARTNERSHIP FOR FOOD SECURITY

Greater Washington Community Foundation. After discussions with our Office of Emergency Management, the County is now in a position to accept and disburse funding via grants, however donations made to The Greater Washington Community Foundation would have the advantage of being tax deductible.

The initial \$10 million investment will be reimbursable via FEMA and CARES Act funding. With this investment, the County could launch a series of focused activities to increase food security for our residents, while benefiting our local economy. Each of these would leverage the existing network of locally based entities that serve the hungry and food insecure. This is important because it puts more power behind each dollar raised - increasing our reach and impact.

The Montgomery County Food Security Task Force has created a comprehensive plan outlining our response to food insecurity due to COVID-19 which will serve as a road map for how to allocate the funds. The fundraising program will be tied to this plan.

Specifically, the fund would:

1. Fund direct wholesale and bulk food purchases via the Capital Area Food Bank and distribute to local entities already in the food assistance space.
2. Fund an ongoing program to compensate local agricultural producers for table crops grown specifically for donation to local entities in the food assistance space.
3. Fund a program to purchase meals from local restaurants for entities that manage delivery to those in need.
4. Increase fundraising from the general public via a coordinated giving campaign.

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Special Appropriation to the Fiscal Year 2020 Operating Budget
Montgomery County Government
COVID-19 Human Services and Community Assistance Non-Departmental
Account (NDA)
Support for COVID-19 Response – Montgomery County Food Security Fund
\$10,500,000 (Source of Funds: General Fund Reserves) and
Amendment to Fiscal Year 2020 Operating Budget Resolution 19-128
Section G, FY20 Designation of Entities for Non-Competitive
Contract Award Status: Greater Washington Community Foundation

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. On March 11, 2020 the World Health Organization declared coronavirus COVID-19 a pandemic, and it has spread rapidly throughout the world. As of June 2, 2020, there were 11,731 confirmed cases in Montgomery County. There were 584 confirmed deaths and 40 probable deaths in Montgomery County. To slow the spread of the disease, Maryland Governor Hogan declared a State of Emergency on March 5, 2020 and issued Executive Orders that have closed schools, closed non-essential business, and required Maryland residents to shelter at home.
3. The efforts to contain the spread of the disease and the disease itself have threatened food security for an increased number of vulnerable residents in Montgomery County. The need has increased as residents experience income loss from the resulting economic disaster. Since the beginning of March, Montgomery County residents have filed over 87,000 initial unemployment claims.

4. The loss of income for residents has resulted in a substantial increase in clients accessing food and meal distribution services in the county. From April 13 through May 26, the weekly demand for food grew by over 500% and approximately 350,000 pounds of food. Montgomery County Public Schools meals service, Senior Nutrition program and other community and faith-based organizations are reporting significant increases in demand. In addition, the County is experiencing a decline in food supply due to COVID-19's fiscal impact.
5. The Montgomery County Food Council, in partnership with numerous food providers, continues to facilitate a collaborative approach to address food insecurity in Montgomery County and produces the Food Assistance Resource Directory. In response to the current COVID-19 public health crisis, the County has also established the Montgomery County Food Security Task Force (Task Force), adapting an incident command system framework.
6. The Task Force has developed the "COVID-19 Pandemic Food Security Response Strategy," which identifies thirteen actionable strategies to address critical needs to increase the volume of food in the food assistance system; improve the food delivery system; communicate to and connect residents with resources; and ultimately foster a permanently resilient and equitable food system in Montgomery County. The Response Strategy estimates that \$41.55 million will be needed to execute the food security strategy over a six-month period.
7. The County will enter into a public/private partnership with the Greater Washington Community Foundation to establish the Montgomery County Food Security Fund to support the implementation of the food security strategy. The County will provide seed funding of up to \$500,000 to the Community Foundation to initiate the fund. The County will commit \$10,000,000 appropriated through this resolution to implement the COVID-19 Pandemic Food Security Response Strategy with the goal of raising \$5,000,000 in private donations in the Montgomery County Food Security Fund.
8. Notice of public hearing was given and a public hearing was held.

Action

A special appropriation to the FY20 Operating Budget of the Montgomery County Government, COVID-19 Human Services and Community Assistance NDA in the amount of \$10,500,000 is approved as follows:

	<u>Personnel Expense</u>	<u>Operating Expense</u>	<u>TOTAL</u>
COVID-19 Human Services and Community Assistance NDA	\$0	\$ 10,500,000	\$10,500,000

The County must enter into a noncompetitive agreement of up to \$500,000 with the Greater Washington Community Foundation to administer the Montgomery County Food Security Fund. The fund will be set up to accept private donations, and all amounts collected by the Fund must be used to support the implementation of the COVID-19 Pandemic Food Security Response Strategy. Use of the fund will be directed by the Montgomery County Food Security Task Force. The Department of Health and Human Services will administer the funding in the appropriation.

Ten million dollars appropriated in this resolution must be used to implement the COVID-19 Pandemic Food Security Strategy. These funds are being committed with the goal of raising \$5,000,000 in private donations in the Montgomery County Food Security Fund.

The Executive must provide monthly reports on donations collected in the fund.

This resolution amends Resolution 19-128, Section G, FY20 Designation of Entities for Non-Competitive Award Status to add a new contract with the Greater Washington Community Foundation to read "Provides for administration of the Montgomery County Food Security Fund" in the amount of up to \$500,000.

This appropriation is needed to address a public health emergency and to act without delay in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council